



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Albert Balagso

SUBJECT: SEE BELOW

DATE: 10-26-09

Approved

Date

11-3-09

COUNCIL DISTRICT: 7

SUBJECT: GRANT APPLICATION FOR THE COYOTE CREEK (HWY 280 TO STORY ROAD) TRAIL PROJECT

RECOMMENDATION

Adopt a resolution authorizing the City Manager, or designee, to do each of the following:

1. Submit a grant application in the amount not to exceed \$1,825,000 to the State of California Resources Agency, Department of Parks and Recreation, under the Recreational Trails Program for the Coyote Creek (Hwy 280 to Story Rd) Trail project ("Project") and to make certain other assurances required by the State; and
2. Negotiate and execute all necessary documents related to any grant funding from the State to the City for the Project.

OUTCOME

City Council approval of the recommended action will authorize the City Manager, or designee, to apply for Recreational Trails Program grant funding, accept any grant funding, negotiate and execute a grant agreement (or other necessary documents) with the State of California Resources Agency for funds available under the Recreational Trails Program administered by the Office of Grants and Local Services (OGALS) for the Project.

If the City is awarded a grant in the full amount requested, the City would have sufficient funds to construct 3,590 linear feet of paved trail along Coyote Creek from Highway 280 to Story Road to link to the existing trail within Selma Olinder Park. The Project would include pedestrian/ bicycle improvements to an existing trestle, two gateway structures, interpretive and regulatory signage, striping and seating. Staff would proceed with preparation of construction documents and seek City Council authorization for the award of a construction contract for the Project at a later date.

BACKGROUND

In April 2000, City Council approved the City's Greenprint. The Greenprint is a 20-year strategic plan for development of parks, community facilities, and programs. The Greenprint generally defines a 100-mile network as a primary Trail Program goal for the City. It identifies the Coyote Creek Trail as one of the systems that comprises the network.

In August 2005, President George Bush signed the SAFETEA-LU (Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users) legislation. SAFETEA-LU provides funds through competitive program and project-specific earmarks through Fiscal Year 2009:

- The Recreational Trails Program (RTP) is a competitive program that provides support to develop and maintain recreational trails and trail-related facilities for both non-motorized and motorized recreational trail uses. The Program is administered by the State's Department of Parks and Recreation.
- San Jose secured four (4) earmarks through SAFETEA-LU for development of three (3) trail projects, including Coyote Creek Trail for which \$3,674,000 was identified. In August 2008, Caltrans authorized the City to proceed with expenses related to Coyote Creek Trail development between Highway 237 and Story Road.

In May 2008, representatives from the Department of Parks, Recreation and Neighborhood Services executed a Project Specific Memorandum for \$15,245 with the Redevelopment Agency. The funds were provided to prepare plat and legal description documents for two easements associated with Coyote Creek Trail development consistent with the Coyote Creek Trail master plan.

In June 2008, the City Council adopted the Coyote Creek Trail Master Plan which defined the trail alignment between Selma Olinder Park and Story Road, including passage beneath and upon the railway trestle that has been decommissioned.

The Coyote Creek Trail system is a primary trail system within the City's network. If fully built out, the trail will link the San Francisco Bay to the south county community or Morgan Hill. Many of the City's remaining 32 planned and existing trail systems link to, or will link to the Coyote Creek Trail system.

ANALYSIS

The City Council makes recommendations on trails to be developed based on a prioritization process approved by Council on August 23, 2003. On an annual basis, the process analyzes all potential projects against seven measures to determine which projects are best suited to complete gaps, expand existing systems, and to advance strategic objectives. A companion grant seeking process aligns high priority projects with grant funding sources.

The Recreational Trails Program grant is sourced from federal SAFETEA-LU funds and therefore must meet certain parameters that are not common to trail projects funded through local, state, or even other federal sources. In particular, the preparation of National Environmental Protection Act (NEPA) documentation can only occur once a project has secured federal funds from a known federal agency. This requirement significantly limits suitable projects for grant writing under the RTP. San Jose has three (3) trail projects supported by SAFETEA-LU Funds currently underway:

Project	Funding	Status
Lower Guadalupe River Trail (Gold Street to 880)	\$5,879,000	Construction documents are at 95% stage. City is awaiting final NEPA Clearance. It is anticipated that sufficient funds are in place to bid/award a construction project.
Bay Trail Reach 9B Pedestrian Bridge (Gold Street)	\$695,000	Construction documents and NEPA related studies are underway. Approximately \$5,000,000 will be required for construction.
Coyote Creek Trail (Highway 237 to Story Road)	\$3,674,000	Master Plan is completed and NEPA documentation is being prepared.

The Coyote Creek Trail (Highway 280 to Story Road) is a suitable project for the RTP grant program because it has NEPA documentation underway and can make use of further federal funding for design and construction. The master plan adopted by the City Council in June 2008, documented the trail system between Highway 101 and Story Road. The proposed Project is a sub-reach between Highway 280 and Story Road and is most straight forward because it utilizes the existing maintenance road and does not require an under-crossing beneath Highway 280. Other reaches of the trail system (between Highway 101 and 280) are complicated by narrow creek banks or require pedestrian bridge structures. Functionally, trail development between Highway 280 and Story Road is desirable because it extends an existing trail within Selma Olinder Park (north of Highway 280), leads to future trail development within Kelley Park, and addresses a pedestrian/bicycle access issue currently witnessed as people trespass along the existing maintenance road and railway trestle.

All other City trail projects are not supported by SAFETEA-LU funds and therefore no other trail projects are suitable for design and construction dollars under the same program.

The existing Project site has a gravel maintenance road along the top of creek bank. This maintenance road is used for City staff to monitor a closed landfill and two mitigation sites. Currently, public access is not permitted along the creek. The Project scope includes the design and construction of 3,590 linear feet of paved trail, two gateway structures, pedestrian and bicycle improvement on the trestle structure and related ramping system, signage, striping and seating. The trestle is owned by the Union Pacific Rail Road (UPRR). Staff has secured plat and legal descriptions to support negotiations with UPRR once funds for that purpose are identified.

In the event that the City is unable to secure the necessary easements from UPRR to complete the Project, Staff will report back to Council if the City cannot accept the grant funds or for other possible recommendations.

The RTP program requires the City to meet each of the following requirements:

Requirement	Addressed in the following manner:
Compliance with the National Environmental Policy Act (NEPA) and documentation	NEPA is being prepared at this time with existing SAFETEA-LU funding earmarked for the Coyote Creek Trail project.
Completion of the National Historic Preservation Act of 1966 process and documentation	Master Plan process determined that there are no historical resources on Project site.
Provide a 12% local fund match	Staff is recommending that funds be set aside in the Park Trust Fund be used for the required local fund match.
Listing of the project on either the State Transportation Improvement Plan (STIP) or a local Transportation Improvement Plan (TIP) as applicable	The Coyote Creek Trail is listed in the TIP.
Copy of the Resolution adopted by the City Council authorizing the application and making certain required commitments	A sample resolution is attached to this memorandum for Council consideration. Council must assert that City will have sufficient funds to operate and maintain the trail.
Evidence of compliance with the California Environmental Quality Act (a CEQA Certification Form)	Documentation was secured as part of the Council-adopted master plan for the Coyote Creek trail system (June 2008).

The master plan approved by the City Council in June 2008 indicated that approximately \$2,450,000 would be required for construction of the trail between Highway 280 and Story Road. However, a revised estimate for the project was completed in September 2009 which estimated the Project to cost \$2,281,250. Securing the requested grant funding of up to \$1,825,000 would leave an unfunded balance of approximately \$456,250. A twelve percent (12%) local match or \$273,750 is required for the grant, which will cover a portion of the unfunded balance. Staff will seek cost savings as part of the project's design and report to Council with funding options if additional funds are required at the time of bid and award.

EVALUATION AND FOLLOW UP

If the City is awarded the grant for the Project, staff will seek City Council authorization for the award of a construction contract at a later date.

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POLICY ALTERNATIVES

Alternative #1: Do Nothing

Pros: Does not require staff time in the preparation of an application package.

Cons: Inconsistent with City Council's approach of seeking grant funds to develop projects when feasible.

Reason for not recommending: The project is well suited for this funding source and the City would lose an opportunity to seek and receive grant funding that will help build this Project.

PUBLIC OUTREACH/INTEREST

- ☒ **Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- ☐ **Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- ☐ **Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

The proposed Council action meets Criterion 1. The Council-approved Coyote Creek Trail (Story Rd to US 101/Lower Silver Creek) Master Plan is posted on the Trail Program website and this memorandum and proposed resolution will be posted on the City's website prior to the November 17, 2009 City Council meeting.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office, the City Manager's Budget Office, and the Public Works Department.

FISCAL/POLICY ALIGNMENT

This Project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy.

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COST SUMMARY/IMPLICATIONS

Based on the most recent cost estimates, a total of \$2,281,250 is anticipated to be required to complete this project. An application is being completed for the Recreational Trails Program Grant for \$1,825,000, which would leave a remaining project gap of \$456,250. The Grant application requires a twelve percent (12%) local match (\$273,750), however, in order to be in a better competitive position to receive the grant funding, it is recommended to provide matching funds in excess of the required 12%. Therefore, it is recommended that funding of \$365,000 be set aside in the Park Trust Fund as a match for the grant. Staff will continue to explore options to close the remaining project gap (\$91,250) though reducing the project scope, or recommending additional funding sources. A City Council memorandum to appropriate all necessary funding will be brought forward to the City Council if the grant is awarded.

OPERATING COSTS: If the grant is secured, the operating and maintenance impact related to this project is projected to be \$9,000/year for operations and maintenance, and \$1,650 for Trail Patrols. Operating costs will be confirmed and reported upon in a future bid and award memorandum related to a construction contract. This funding was included in the 2010-2014 General Fund Forecast, released on February 27, 2009.

BUDGET REFERENCE

Not Applicable

CEQA

Mitigated Negative Declaration, PP08-014


ALBERT BALAGSO
Director of Parks, Recreation and
Neighborhood Services

For questions please contact Yves Zsutty, Park (Trail) Manager, at 408-793-5561.

Attachment

Resolution No: _____

RESOLUTION OF THE SAN JOSE CITY COUNCIL OF CITY OF SAN JOSE APPROVING THE APPLICATION FOR GRANT FUNDS FROM THE RECREATIONAL TRAILS PROGRAM

WHEREAS, the "Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users" provides funds to the State of California for Grants to state, local and non-profit organizations to acquire, develop and/or maintain motorized and non-motorized trail purposes; and

WHEREAS, the State Department of Parks and Recreation has been delegated the responsibility for the administration of the program within the State, setting up necessary procedures governing Project Application under the program; and

WHEREAS, said procedures established by the State Department of Parks and Recreation require the Applicant to certify by resolution the approval of application(s) before submission of said Application(s) to the State; and

WHEREAS, the Applicant will enter into a Contract with the State of California to complete the Project(s);

NOW, THEREFORE, BE IT RESOLVED that the SAN JOSE CITY COUNCIL hereby:

1. Approves the filing of an Application for the Recreational Trails Program; and
2. Certifies that said Applicant has or will have available prior to commencement of any work on the Project(s) included in this Application, sufficient funds to operate and maintain the Project(s) if the grant is awarded; and
3. Certifies that the Grantee has reviewed, understands, and agrees to the General Provisions contained in the Contract shown in the Procedural Guide; and
4. Appoints the CITY MANAGER or DESIGNEE, as agent to conduct all negotiations, execute and submit all documents, including, but not limited to applications, agreements, amendments, payment requests and so on, which may be necessary for the completion of the Project.
5. Agrees to comply with all applicable federal, state and local laws, ordinances, rules, regulations and guidelines.

Approved and Adopted the 17th day of November, 2009.

I, the undersigned, hereby certify that the foregoing Resolution Number _____ was duly adopted by the SAN JOSE CITY COUNCIL following a roll call vote:

Ayes:

Noes:

Absent:

(Clerk)